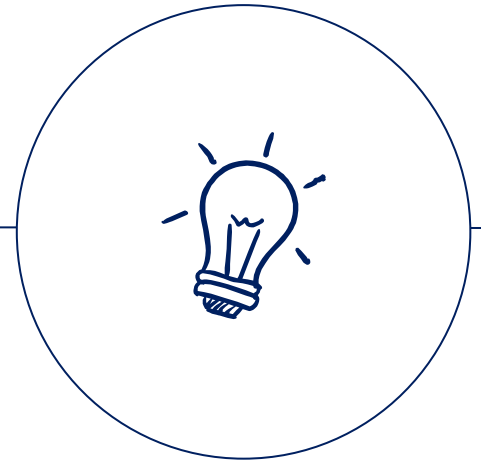


Performance management Future Bank

What performance management looks like in an agile world

Ivo Püda

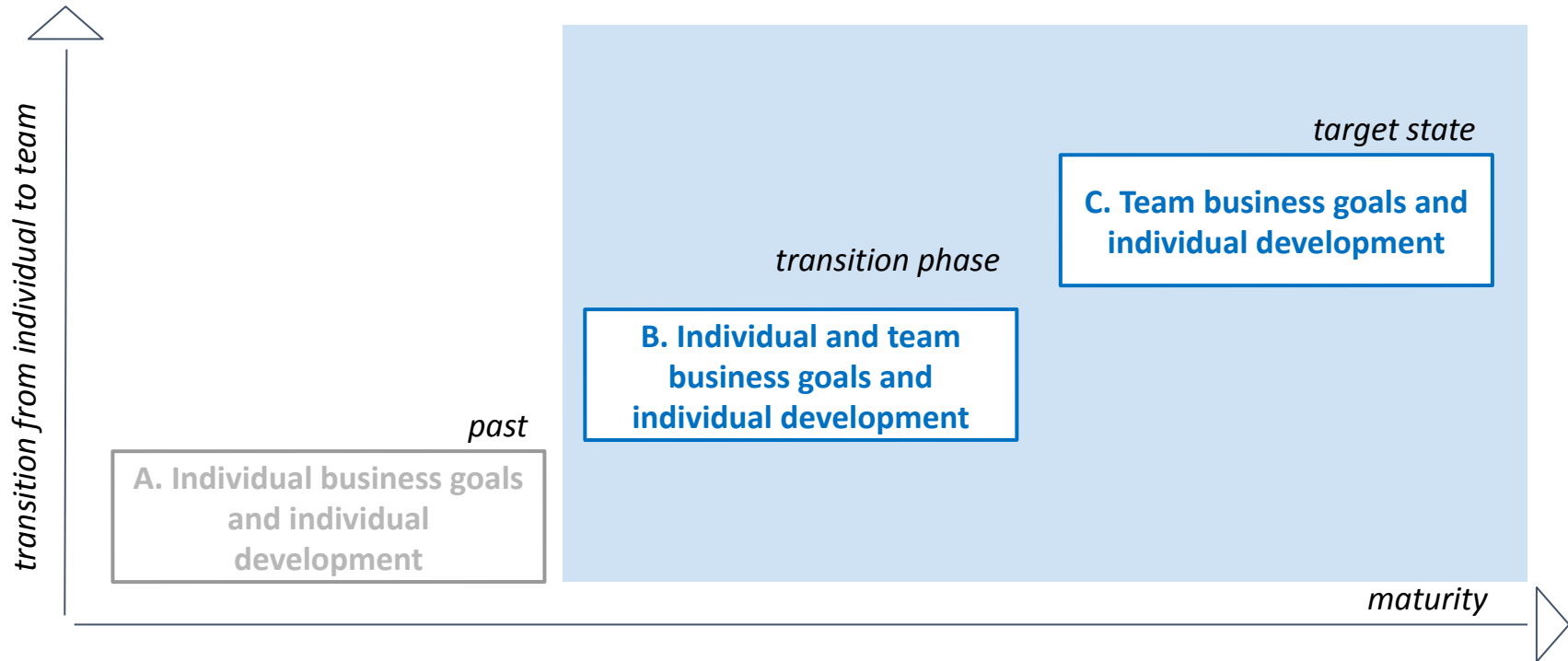
www.linkedin.com/in/ivo-puda



General principles of monitoring, improving and maintaining high performance for an agile bank

- **We focus on the team** – how we perform as a team is a key measure of success (as opposed to emphasizing individual performance in past).
- We emphasize **multi-feedback** (AC is facilitating feedback from the team through ceremonies, regular feedback from PO, CHL, sponsors & clients, TLs, ITALs...)
- Next to team performance there are two other important building blocks: **craft development** and the way we live up to our **values** (I cooperate, I believe in the work we do, I like people)
- **We know how we perform** as a squad and a tribe from our TL/ITAL and PO. I discuss my progress in craft development with CHL. AC is facilitating ceremonies to enable feedback from the team on how I behave according to the values.
- Quantification by performance ratings won't be needed. The **key is getting regular feedback** about whether we are on track and where we need to improve.
- Every squad member ought to have a development plan in place timing depending on the maturity of each chapter.
- Bonus is a non-claim component of wage and in case of creating a bonus pool it is distributed by TL/ITAL based on feedback from PO, CHL, AC.

Team goals support team behaviour and T shape development, so they will be our priority



Why we emphasize squad team goals

TEAM BUSINESS GOALS

- Support cooperation and shared responsibility for the result.
- Help us to see shared meaning and support team spirit
- Represent the end state we want accomplish: we are heading to team goals of whole bank.
- Even though not all squad members work on all team goals, they can affect the goals indirectly - supporting and enabling smooth running of the squad by working on other activities.
- Support T-shape learning: we are improving not only in our craft, but we gain direct experience also in other activities.

INDIVIDUAL BUSINESS GOALS

- Are suitable for squads which work is not dependent on cooperation or based on specific needs (eg. when the squad design is not done yet).
- Individual business goals should be defined by Tribe lead/ IT Area lead.



How we define performance

SQUADS DELIVER BUSINESS GOALS



I know what we are working on as a team, why and how do I contribute

Meeting team goals is our shared success and a way we deliver value to the client.

WE DEVELOP OUR EXPERTISE AND SKILLS



I work on my development and plan activities that will help me to be successful in meeting the development goals in my craft.

Development in craft connects us across the bank, far beyond our squads.

WE BEHAVE ACCORDING TO SHARED VALUES



I always behave in a way which supports cooperation, respect for other people and responsible acting.

Our values connect us to the culture of the whole bank.

1st pillar: Business goals

OKRs.

(Objectives + Key results)

Ambitious and “bold” OKRs help us to focus on the most important priorities and to better our products and services by continuously challenging the status quo

Aspirational, change

for FUTURE

Space where we innovate, risk and experiment

They are aligned with all bank priorities and connect those with the purposes of each squad

Flexible and continuously discussed, verified and revised by the team

RUN metrics.

(KPIs + other performance and operational metrics)

Next to OKRs we still need to track the “vital” operational and performance metrics. The purpose of metrics is to keep track of how we are doing as a team during daily run the bank business.

Existential

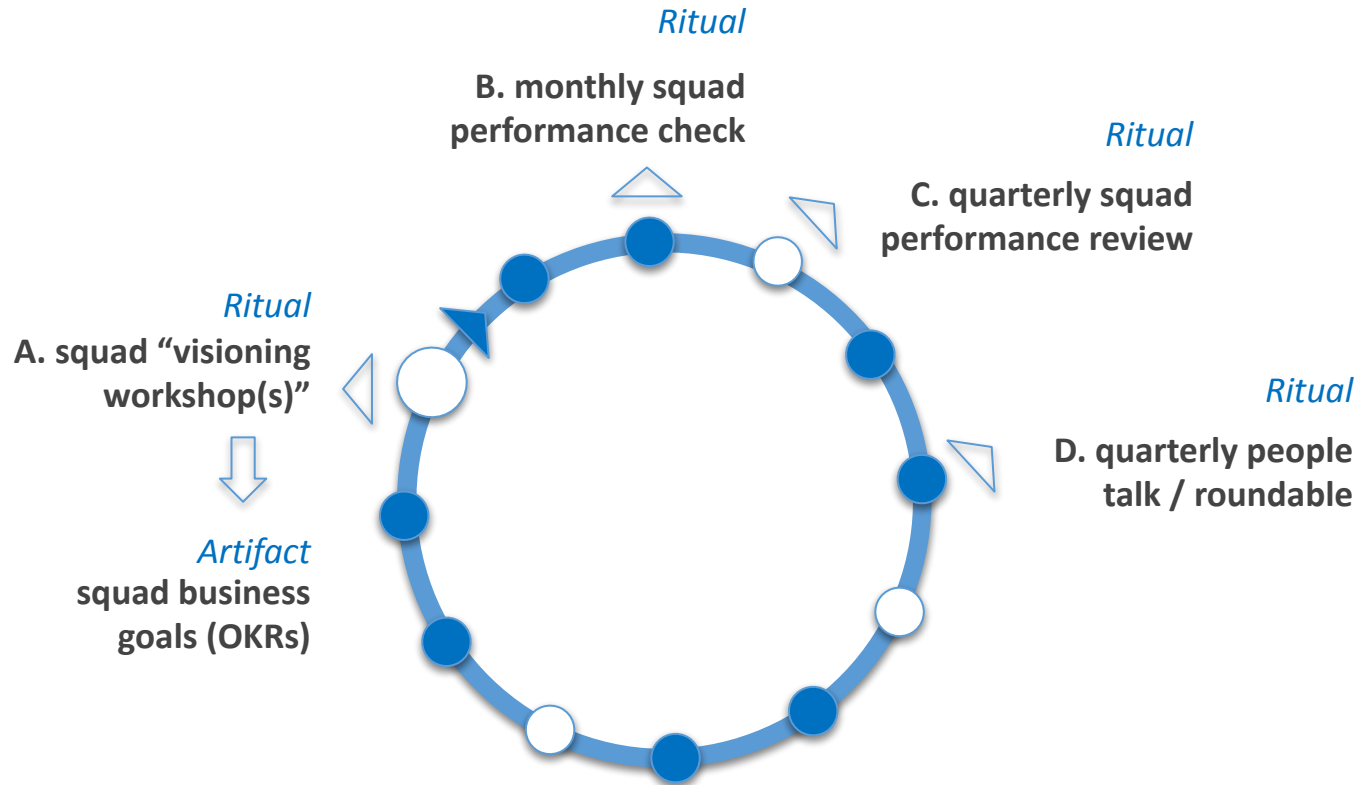
Show how we are doing NOW

Set conservatively to a certain level which must be attained

Run metrics involve KPIs which represent expectations of shareholders and supervisory authorities, but also metrics set by the team themselves to ensure quality delivery to the stakeholders and clients

Stable metrics concerning BAU, quality of delivery outside of the main change initiatives

Squad business goals set up and evaluation in quarterly cycle view





Visioning (goals setting) workshop

Rituál

WHEN: Once a year (Q3/Q4) can be part of standard agile rituals
WHO: all Squad Members, Product owner, Agile Coach, Tribe lead , IT area lead

WHAT:

- Squad Members co-define squad OKRs (12 - 18 months) based on tribe OKRs or/and squad purpose
- Squad clearly define metrics (KRs) to measure their success and value for clients
- Squad clearly define other performance metrics (RUN) to measure their operational excellence and performance
- Product Owner is responsible for transparent visualisation and tracking of OKRs via Fujira and Obeya



Artefakt

Squad has defined squad business goals.

Squad XX OKRs
<u>Objective 1:</u> Establish suitable new business models in banking identity area <ul style="list-style-type: none">● KR 1: Bank ID: develop, test, politico new bank ID structure● KR 2: Increase product NPS by XY● KR 3: KYC API: increase number of transactions
<u>Objective 2:</u> Increasing client awareness <ul style="list-style-type: none">● KR 1: % of filled SLA on cases from SC● KR 2: % of notification to client created case in SmartCase and its expected date/time of solution● KR 3: % of displayed info about SLA in SmartCase after creation of new case
<u>Objective 3:</u> Constantly increasing number of digital and card transactions <ul style="list-style-type: none">● KR 1: number of cash vs cashless payments



Monthly squad performance check

Ritual



WHEN: Once a month, can be part of standard agile rituals

WHO: all Squad Members, Product owner, Agile Coach

WHAT:

Squad members discuss KRs and Performance metrics current status (check) and whether they are on track

Squad aligns on the next steps and direction

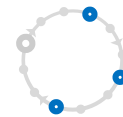


Output

“We know how we are doing”: Every squad member is clear about how we do at work and in the team and what we should work on. There is a room for mutual feedback.

Quarterly squad performance review

Ritual



WHEN: Quarterly, after quarterly Tribe performance review

WHO: all Squad Members, Product owner, Agile Coach

WHAT:

Key results are reviewed (based on quantitative scoring) and Objectives adjusted if needed

Squad aligns on next steps and lessons learnt in previous quarter



Output

“We know how we are doing”: We know where we are as a team in meeting team goals. By reviewing previous period and activities we can learn from mistakes and adjust our strategy.



visualisation of squad OKRs and progress measurement



Product owner is responsible for regular update to be able to provide clear squad OKRs on demand.



Tribe Obeya room

New OKRs Structure

Summary	Key	OKR Type
BoD Objective	OKR-131	BoD
BoD Key Result	OKR-132	BoD
Tribe Objective - vázaný na BoD Key Result	FJ-831	TRIBE
	FJ-827	TRIBE
	FJ-826	TRIBE
testing - Souhmná iniciativa pro úpravy spojené s testi	FJ-510	
ve - vázaný na Tribe Key Result	FJ-830	SQUAD
řazený na Tribe Objective	FJ-828	SQUAD
sult	FJ-829	SQUAD
na ServiceNow - Předmětem je propojit ServiceNow	FJ-724	



Metrics in Digital dashboard

Tribe and Squad OKRs in Fujira

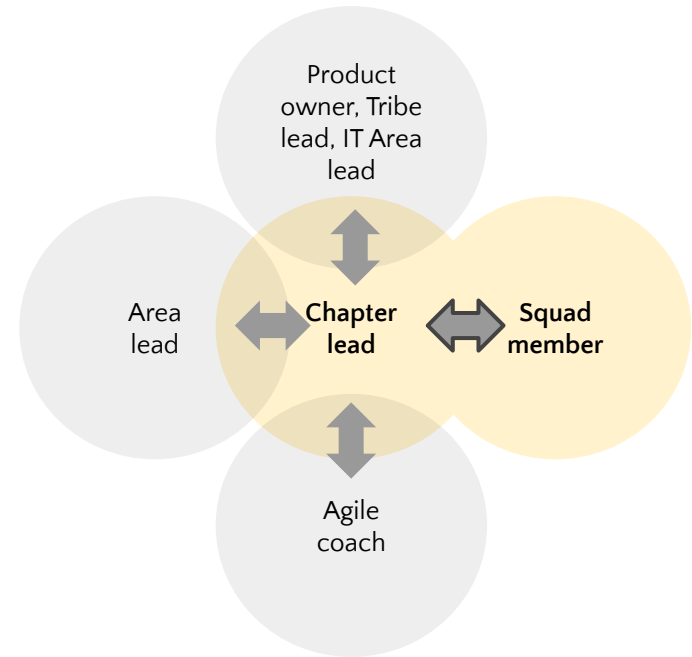
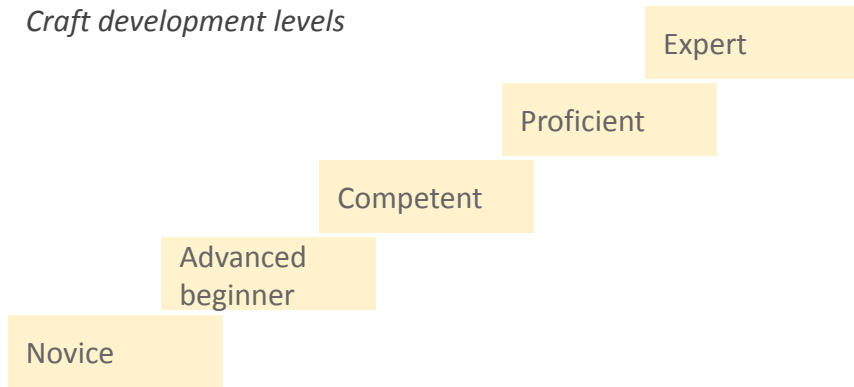


2nd pillar: Craft development principles

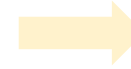
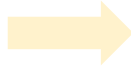
CRAFT DEVELOPMENT (including T-shape)

- I am supported by Chapter lead in my development
- Chapter lead helps me with my development plan based on craft vision (Area vision), craft competency matrix in line with Tribe/squad needs
- The competency matrix is the baseline for our 1:1 craft development discussions

Craft development levels



Craft development journey



Development plan

Minimum 1x every quarter me or my Chapter Lead initiate 1:1 meeting

We discuss my skills, needs and where do I want to grow within my craft

We jointly define 2-3 activities for the next 6-12 months which will help me improve

Record

What is written is given - I track my developmental activities in the app Emma PDS

Me, my Chapter lead, Tribe lead and IT Area lead can access my developmental plan.

I can share it with Agile Coach and other Squad Members.

Activities can be revised anytime during the year- always after confirmation with my Chapter Lead

Growth

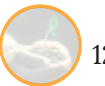
During the year I learn, undergo trainings, shadowing, I meet other chapter members (guild meeting)

More activities can be planned together with my Chapter Lead if it is needed (eg. when i need to learn something to accomplish the task).

Appreciation

I get the regular feedback from Chapter Lead about my development.

Chapter lead feedback also influence my total assessment.



How we describe performance in transition period

SQUADY DODÁVAJÍ BUSINESS CÍLE



Vim, na čem je můj tým
pracuje, čemu se
věnují má kolegové a
co se očekává od mě

Team performance

Squad adaptation

- Does the squad hold on the status quo or revise and improve the way of work?
- Does the squad work on Tribe's priorities?
- Does the squad fulfill its purpose?
- Does the squad seek value for client?

Delivery of prioritized squad backlog and its impact on the client (if relevant according to squad maturity)

Individual business goals are set according to the nature of sq. activities, end to end solutions, maturity or specific needs (novices, ..).

ROZVÍJÍME SVOU EXPERTIZU A DOVEDNOSTI



Pracuji na svém
rozvoji a plánuji si
aktivitu, kterou
pomůže být úspěšný
v plnění cíle a rozvoji
mého týmu

Individual contribution

**Development:
Development plan and
development in craft
and across (T-shape)**

- Does squad member work to be a better professional in his craft?
- Does he try to understand and develop also in other/related areas? (T-shape)?

CHOVÁME SE V SOULADU S HODNOTAMI ČS



Chováme se tak, abych
složili pozitivní
vztahy s klientem, kolegami
a širokým týmem a
jednotlivými členy

**Values: Behaviour
according to values**

- Does the squad member behave in a way, which support cooperation, interest in client and goals we work on?
 - I cooperate
 - I believe in what we do
 - I like people (focus on clients and colleagues)

To close the period, we use roundtables and draw the squad into the discussion via online squad feedback

Roundtables are facilitated discussions between managers / Tribe leads / IT Area leads, Product owners, Chapters leads and Agile coaches about people in terms of team roles, team performance, individual contribution, development and specific needs. They usually take place as a part of the year closure. Roundtables can include a team's voice drawn into the meeting in the form of outputs from the team's or squad online feedback.



How it works:

Participants discuss team performance and individual benefits over the past period and look for ways to maintain or improve this performance in the future.



Participants:

Managers, Tribe leads, IT Area leads, Product owners, Chapter leads, Tribe/Squad Agile coaches



Time frame:

Manager's individual preparation: approx 1 hour. Roundtable ½ a day to 1 day (based on size of the team)



Outputs:

The outputs serve as a basis for employee feedback and mutual calibration and alignment of expectations. Joint discussions allow the opinion of a larger number of people to be objectively evaluated.